



Material Fact

JBS S.A. ("JBS" or the "Company") hereby informs its shareholders and the market in general, pursuant to CVM Ruling No. 358, of January 3, 2002, as amended, the following:

JBS's board of directors met today with the members of the Independent Committee of JBS ("JBS Committee") and, together with the board of Bertin S.A., with the members of the Independent Committee of Bertin S.A. ("Bertin Committee" and, jointly with the JBS Committee, the "Committees"). The Committees were created pursuant to CVM Rule (Parecer de Orientação) No. 35.

The Committees presented their economic analyses with recommendations on the economic terms of the proposed merger of the shares of Bertin S.A. into the Company ("Transaction"), in particular the determination of the exchange ratio for the Transaction.

The JBS Committee recommended that the exchange ratio should be set in a interval such that the value of JBS in the combined company would amount to from 53.5% to 70.2% and the value of Bertin in the combined company would amount to from 46.5% to 29.8%. The Bertin Committee recommended that the Exchange ratio should be set within an interval of 31.23 to 34.61 shares issued by JBS for each existing share issued by Bertin. Therefore, the exchange ratio previously announced (approximately 40/60 among Bertin and JBS, respectively, which would correspond to an exchange ratio of 32.45518835 shares issued by JBS for each share issued by Bertin) is within the intervals recommended by the Committees. The JBS board approved the report of its Committee.

The JBS board also determined that the Company should conclude the negotiation of the financial structure in favorable conditions, and that following the conclusion thereof, that it calls a general shareholders meeting to approve the Transaction. The Company will continue to work in the other conditions precedent for the Transaction, including, without limitation, the completion of due diligence and the US\$ 2.5 billion equity injection announced in the material facts dated September 16, 2009 and October 22, 2009. JBS will keep the market informed of any new developments relating to this matter.

São Paulo, December 7, 2009

Jeremiah O'Callaghan
Investor Relations Officer
JBS S.A.